

HOUSE BILL 1900
By Curtiss

AN ACT to amend Tennessee Code Annotated, Title 71, Chapter 5, Part 1, relative to funds that shall be utilized to provide supplemental payments to hospitals that provide an above average amount of charity or TennCare services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE.

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following new section:

71-5-148

The department shall identify and make payments to disproportionate share hospitals, including children's hospitals and institutions for mental diseases or other mental health facilities (other than the regional mental health institutes), that provide medical assistance pursuant to this chapter in accordance with the following funding pools: essential service safety net hospitals; children's safety net hospitals; free standing psychiatric hospitals; and other essential acute care hospitals.

The commissioner of finance and administration shall utilize a payment methodology that considers both TennCare or Medicaid utilization in addition to charity, medically indigent care, and bad debt expenses. The formula that determines the distribution of these funds within these pools will be similar to the formula utilized for the payments made in fiscal year 2004. Payments shall be made quarterly.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.